

REMARKS

Applicants reply to the Office Action mailed on May 25, 2006, and request the Examiner to enter the amendments and consider these remarks prior to examining this application after RCE. Claims 1-16 were pending and the Examiner rejects claims 1-16. Applicants amend various claims, add new claims 17-20, and address the Examiner's remarks. Support for the amendments and new claims may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments and new claims. Reconsideration of this application is respectfully requested.

Applicants respectfully assert that the subject matter of the various claims was commonly owned at the time the inventions covered therein were made and therefore, Applicants have complied with 37 C.F.R. § 1.56.

Claim Rejections

§103(a) Rejections

Claims 1-12 and 16 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Kita, U.S. Pat. No. 6,703,918 ("Kita") and in view of Prorock, et al., U.S. Pub. No. 2002/0169673 ("Prorock"). Claims 13-15 stand rejected over Kita in view of Prorock and Griswold, et al., U.S. Pat. No. 6,629,591 ("Griswold"). Applicants respectfully traverse these rejections.

Kita is directed towards transaction authentication devices using various biometric sensors. Prorock is directed towards a method of using a manager's biometric input to perform override commands at a point of sale terminal. Griswold is directed towards a token such as a coin-shaped gambling token that may be used to store monetary amounts for gaming or other similar transactions. In contrast, the present claims are directed towards a transponder having a preloaded value and funds available through a reload protocol which are combinable to fund a transaction upon authorization of a biometric sample.

While Kita, Prorock, and Griswold may disclose various transaction and biometric security technologies, neither Kita, Prorock, Griswold, nor any combination thereof, disclose or suggest at least "determining whether said transaction exceeds a combination of said preloaded value and a reload value defined by a reload protocol data file associated with said transponder, [and] notifying a user to proffer a biometric sample to authorize use of said combination of said

preloaded value and said reload value to complete said transaction,” as recited in amended independent claim 1.

Accordingly, Applicants assert that claim 1 is patentable over the cited references. Similarly, claims 2-16 variously depend from claim 1 and contain all of the elements thereof. Therefore, Applicants respectfully submit that claims 2-16 are differentiated from the cited reference at least for the same reasons as set forth above, in addition to their own respective features. Accordingly, Applicants respectfully request withdrawal of the rejection of claims 1-16.

NEW CLAIMS 17-20


New claims 17-20 variously depend from claim 1 and contain all of the respective elements thereof. Therefore, Applicants assert that new claims 17-20 are differentiated from the cited references at least for the same reasons as set forth above, in addition to their own respective features.

CONCLUSION

Applicants respectfully submit that the pending claims (20 total, 1 independent) are in condition for allowance. Reconsideration of the application is thus requested. **The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. 19-2814.** Applicants invite the Examiner to telephone the undersigned if the Examiner has any questions regarding this Reply or the application in general.

Respectfully submitted,

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